

LOVETT NOT IN FAVOR OF RAIL MERGE

Consolidation of Railways of United States Into Few Large Systems Not Liked by Former U. P. President

UPHEAVAL OF CREDIT GREAT DISADVANTAGE

Right of Congress to Carry Out Project Questioned in Statement

NEW YORK, July 12.—Consolidation of all the railroads of the United States into a few large systems—from 12 to 25—as a possible solution of the nation's railroad problem, is opposed by Robert S. Lovett, former president of the Union Pacific railroad in a memorandum to congress made public here today. Judge Lovett, for a time was director of the division of capital expenditures of the government railroad administration under William G. McAdoo, as director general.

The effect of the proposed consolidation would be in his opinion to "impair the credit of a strong road, instead of improving the credit of the weak road. The inevitable effect would be to reduce the average of the credit of all the railroads."

Right of Congress Denied
"Congress," he asserted, "has no right to compel one railroad to consolidate with another. It may give one the right to acquire the property of the other by condemnation but it must pay for it, and here is the difficulty, pay for it in cash."

"The underwriting of a fabulous amount must be provided. Will congress appropriate the billions necessary? Have we bankers enough to provide the money except through a series of years? And what will happen to the financial welfare of the country in the meantime?"

"My judgment is against the consolidation of all the railroads of the country into a few companies, because I believe the companies will be too large and unwieldy for efficient and economical management."

Some Absorption Favored
"I believe that the absorption of some of the weak lines by the strong lines, upon fair terms, should be promoted by the competition in service and facilities should not only be preserved, but should be extended."

Judge Lovett also opposed the plan which has been discussed for pooling the net earnings of railroads by dividing them into groups and establishing rates sufficient to yield 6 per cent or some other specified return on the book value of each group. Earnings in excess of the average, he pointed out, would be set aside for the unprofitable roads that earn less.

Suggestion Called Impractical
Suggestion put forward by many financiers and railroad men that the government should guarantee fair dividends on the full value of the railroads and leave the management in the hands of the railroad owners.

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Modesto Man Dies When Auto Turtles on Idaho Mountain

LEWISTON Idaho, July 12.—Richard Hawkins, of Modesto, Cal., was instantly killed late this afternoon near Orofino, 45 miles east of Lewiston, when his automobile was overturned on a grade and he was caught beneath it, in such a manner as to sustain a fracture of the neck. He was accompanied by his wife who escaped injury.

DAYLIGHT RIDER SAVED BY VETO

Action of President on Agricultural Measure Kills Time Change

WASHINGTON, July 12.—The daylight saving law was rescued from repeal today by President Wilson's veto of the agricultural appropriation bill.

The president also vetoed the sundry civil appropriation bill because, he said, by restricting funds, it crippled the work of rehabilitating and restoring disabled soldiers and sailors to civil life.

The later veto apparently was accepted by congress without contest and the sundry civil bill went back to committee to be reformed.

Veto of daylight saving was not accepted so readily, although the prevailing opinion was that a necessary two-thirds vote to repeal it over the president's head will not be mustered.

The first test will come in the house Monday when, according to announcement, Republican Leader Mondell or Chairman Hanger of the agriculture committee will move the re-passing of the bill, with the daylight savings repeal intact, over the presidential veto.

Both bills provide funds for which agencies of the government long have been waiting. They already are months behind schedule because they failed of ordinary passage in the last congress.

5 FIREMEN DIE IN FACTORY FIRE

Blaze in Warehouse Does \$100,000 Damage in Philadelphia

PHILADELPHIA, July 12.—Five firemen were killed and 31 others injured in a blaze that destroyed a three story brick warehouse of the Burlap Bag Manufacturing plant of Jacob Potash and Brothers here today. The victims were plunged into the flames and debris when the roof and three walls collapsed. Three saved themselves from serious injury by a spectacular slide down a tottering ladder.

Rescuers worked more than two hours to extricate the dead from the ruins which rose in chaotic piles as high as the second story.

No cause has been assigned for the fire, which was the third in the building in 15 years. The damage is estimated to over \$100,000.

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SALEM MAYOR REFUSES AID TO STRIKERS

Telephone Girls Ask Wilson to Send Telegram to Washington but Executive Refuses to Take Action

NO ABATEMENT IS APPARENT IN SALEM

Demands Are Set Forth in Statement Authorized by Joint Committee

The strike of telephone operators and electricians of the telephone company does not show any signs of abatement, either in Salem or anywhere else. The striking telephone girls still maintain their pickets near the office of the Pacific Telephone & Telegraph company and, so the striking girls assert, the company is keeping two detective taxicab drivers employed to watch them. Other interesting developments, according to information coming from strike headquarters in Union hall, are that Mayor O. J. Wilson has refused assistance to the strikers and that the telephone company is paying big wages to non-union operators employed and going to a heavy expense to keep some of them at hotels in the city. The girls have been brought from several towns.

Service is Slow.
Meantime the people of Salem are worrying along as well as they can under the circumstances. Telephone service is slow—very slow—and there will be a great sigh of relief when the strike comes to an end—that is, if it ends with the experienced operators back on the job.

It is said that many mayors of the country are sending telegrams to President Wilson asking him to use his influence in behalf of an amicable settlement. One of the local strike leaders approached Mayor Wilson yesterday and asked him to do as much from Salem. If information from strike headquarters is correct the mayor gave his interviewer a cold shoulder and declared he might feel in a mood to help them if they would go back to work.

"Although the company refuses to give us the increase in wages we ask," said one of the girls on duty at headquarters yesterday, "yet we know it is paying 'scabs' from \$3 to \$5 a day, and further than that the company is paying as high as \$8 in hotel expenses of girls who have been brought to Salem to take our places. Two taxi-cab drivers are being paid \$2 an hour to watch us, and to take the 'scabs' to and from work so we won't interview them."

Most Pay Board and Rent.
As further argument for increased wages the girls declare that not more than five of the 41 strikers from the local office are free of the expense of paying room and board. It has been necessary for the union to help several of them since the strike has been in progress. A fund of \$250 was collected at the dance given recently at the armory, but the fund, it is said, will not hold out long. An

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BARGAIN DAY BIG SUCCESS

Thousands on Streets and Stores of Salem are Crowded with Buyers

Thousands of people were on the streets of Salem yesterday, attracted here by the bargain day offers of Salem merchants. The response to the big annual event put on by Salem merchants was even greater than expected.

Bargain day stores were crowded, particularly during the afternoon. Farmers and their wives left their work at home in the hands of the help and came to town in automobiles or horse-drawn vehicles and carried home far more than the ordinary amount of Saturday purchases. The big sales of the day, with their excellent results, were not confined to the dry goods stores, but extended to the groceries, drug stores and shops of all other kinds. Numerous places of business reported the best day's business in many months.

Hatchery Sites Viewed by Master Fish Warden

Four possible sites for the proposed state fish hatchery on the Santiam river were viewed by Master Fish Warden R. E. Clanton, with Salem, Stapton and Albany sportsmen, Saturday. Two of the sites are on the Marion county side of the stream, at a point above Stayton and another point above Gates. Two other sites are on the Linn county side, near Niagara and on Mad creek. The site below Mehama impressed the viewers most favorably and may be selected if it can be made to meet certain requirements, including the location of a dam. Another trip of inspection will be made to the site in about two weeks.

DOWSEY PROBE IS CONTINUED

Democratic Club Demands Removal of Officials Pending Case

SEATTLE, July 12.—Investigations into the manner in which F. A. Dowsey, federal secret service agent, met his death here May 2, based on the theory that Dowsey was killed in an attempt to quash the results of an inquiry he had made in Seattle said to have involved gigantic fraud against the government, continued today. No official announcements were made as to the trend of the investigations by expert government agents, but it was apparent that every effort is being made to bring the true facts to light.

Resolutions demanding the removal of all Seattle shipping board officials, pending a searching inquiry into Dowsey's death were adopted today by the King County Democratic club. The club branded Dowsey's mysterious death as a stigma on the government administration here. A committee was named to formulate the club's demands for presentation at Washington, D. C.

Major P. A. Willis Will be State Inspector-Instructor

A request that Major Percy A. Willis be designated as inspector-instructor for the Oregon National guard regiment has been sent by Governor Olcott to the war department. Major Willis, now on the active list of United States army officers, is on leave of absence from his home in this state. Governor Olcott has made the request upon recommendation of Adjutant General Conrad Starin who declares that Major Willis is qualified to perform the duties of the office with credit to himself and the regiment.

FIRE DESTROYS BUSINESS AREA OF BROWNSVILLE

Loss of \$50,000 Sustained When Blaze Takes Stores, Residences, Garages and Barns of Three Blocks

BROWNSVILLE, Or., July 12.—Fire tonight destroyed the greater part of three blocks of buildings in the business district here. The buildings burned included stores, residences, and a number of garages and barns. The loss was estimated at \$50,000. The insurance on practically all buildings was about 20 per cent, inadequate fire fighting facilities having made insurance rates here abnormally high.

Dynamite was used in wrecking buildings to prevent further spread of the blaze which was made difficult to fight by a high wind, and would probably have wiped out the town otherwise.

CONFERENCE IS REVIEWED BY LANSING

Treaty Classified as One of Most Important Documents Produced in History Despite Imperfections

NATIONS NOW BOUND TO AVOID CALAMITY

Hope for Future Viewed with Hope but Not Complacency

PARIS, July 12.—Before leaving for the United States tonight, Secretary Lansing made the following statement to the American correspondents:

"Many thoughts rush to mind on leaving the peace conference after six months of effort. Never before has such an international gathering been held, for here has been the meeting grounds of 27 nations to liquidate a world war and establish a new order; and a laboratory where already a system of world cooperation has been born, out of necessity. Treaty stands alone."

"Out of it all has come the most important international document ever drawn—the treaty of peace with Germany, a document which not only meets the issues of the present war, but also lays down new agreements of the most helpful and most hopeful character. The nations are bound together to avert another world catastrophe; backward peoples are given a new hope for their future; several racial entities are liberated to form new states—a beginning is made toward removing unjust economic restrictions, and the great military atrocities of central Europe are destroyed as the first step in a general disarmament."

Imperfections Regretted.
"The treaty is, of course, not all that we had hoped for. It could hardly be expected to be. Too many conflicting interests were involved as well as too many legitimate demands which would tax the most perfectly balanced mind. Nearly everyone will find in it weaknesses both of omission and commission, provisions inserted which might better have been left out, and provisions left out which might better have been inserted."

"Such a document must however, be examined both against the background of its creation and in the large sweep of its spirit. From that point of view we may call it a stepping stone from the old international methods to the new. If it still holds some of the distrusts and hatreds of the war which Germany has full well earned for herself, if its construction has been hindered by memories of secret pacts and promises, it must be borne in mind that it carries with it the evident purpose to throw off the old methods of international intrigue and plotting."

Fact is Starting Point.
"But the present treaties are but the starting point of world reconstruction. Now that the general principles have been laid down, it remains to execute them. And by that I mean, not so much retributive action against nations which have recently run amuck in the world, but rather the cleansing and healing processes that shall really make good our hopes and aspirations."

"Undoubtedly there is a great danger in the world today. Many people

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Roy Wolff Enters Plea of Not Guilty to Murder Charge

BAKERSFIELD, Cal., July 12.—Roy Wolff, 16 years old, today pleaded not guilty of the murder of Elmer E. Greer. Taft chauffeur, who was killed with a hammer in an automobile near Maricopa, on May 26. Wolff, who was traced to his home near Yakima, Wash., broke down at Yakima and made a confession of the murder. His relatives have employed attorneys for him and will defend him. No outline of the probable defense was given today.

WHITLOCK GETS ITALIAN POST

Former Minister to Belgium Succeeds Page as Ambassador at Rome

PARIS, July 12.—Brand Whitlock has been named as American ambassador to Italy.

Brand Whitlock at present holds the post of minister to Belgium, to which he was appointed in 1913. He succeeds Thomas Nelson Page, who recently resigned.

Secretary Daniels May Be Visitor in Oregon

Joseph Daniels, secretary of the navy, expects to visit Portland in the near future and in a telegram to Governor Olcott says he will let the governor know later when he will come. At the request of Mayor Baker and other Portland men the governor joined in an invitation to Secretary Daniels to visit Portland when the Pacific fleet visits Portland harbor.

11 Quarts of Moonshine Taken in Raid on Home

PORTLAND, Or., July 12.—Eleven quarts of "moonshine" whiskey together with the still were seized when motorcycle officers raided the home of R. E. Long here today. Long was held for violation of the prohibition law after being arrested on a warrant sworn out by Deputy District Attorney Richard Diech.

Esch is on Way to Salem with Escape, Red Rupert

A telegram to Governor Olcott from William Esch who went to San Diego to take into custody Red Rupert states that Mr. Esch expected to leave San Diego for Salem tonight. Owing to a misunderstanding a federal official at San Diego refused to turn Rupert over to Esch upon the latter's arrival at San Diego, but allowed him to take the prisoner when instructions were forwarded by United States Attorney Bert Haney of Portland. The proper arrangements with the federal officials had been made by the governor's office prior to Esch's leaving Salem, but the instructions from Portland had not reached San Diego when he arrived there.

OPERATORS JOIN STRIKE

THE DALLES, Or., July 12.—Sixteen operators employed here by the Pacific Telephone and Telegraph company today joined in the strike declared by unions in cities and towns along the Pacific coast. Service was badly crippled.

HIGH OFFICIALS INDICTED IN LIQUOR DISAPPEARANCE CASE

Superior Judge Clay Allen, Four Deputy Sheriffs, Former Speaker of House and Others Named in Charges Involving 864 Quarts of Whiskey Stored in Court Room at Seattle—Bail Fixed at \$500

SEATTLE, Wash., July 12.—Superior Judge Clay Allen, four deputy sheriffs, a former speaker of the state house of representatives, a prominent political leader and other county officials and business men were indicted by a county grand jury here today in connection with the investigation of liquor thefts and alleged illegal disposition of confiscated liquor.

864 Quarts Disappear.
Twelve indictments in all were returned directly connected with the liquor probe which resulted from the disappearance of 864 quarts of whiskey from the court room of Judge Allen on the night of June 4. The following were indicted:

Judge Clay Allen, two counts; Deputy Sheriff Stewart Cambell, two counts; Roy Murdock, two counts; Matt Starwich, one count; Fred A. Brown, one count; Dr. J. H. Lyons, physician, one count; Oscar Springer, deputy county clerk, four counts; Dr. Fred Nichols, deputy county coroner, two counts; Sam Martin, real estate dealer, two counts; George Gau, bailiff, two counts; W. W. Conner, former speaker of the state house of representatives, one count; Charles G. Helfner, political leader and insurance man, one count.

Bail Fixed at \$500.
Those on two counts face charges of unlawful possession of intoxicating liquor and "unlawful possession of intoxicating liquor with intent to dispose of it." Those indicted on one count face the charge of having unlawful possession of intoxicating liquor. Bail was fixed at \$500 in each case.

2000 ACRES SIGNED FOR BY GROWERS

Fifty-two Members of New Association Pledge Crops at Enthusiastic Meeting Held in Salem Armory

SIX MILLION DOLLAR BUSINESS PREDICTED

Speakers Include Men Prominent in Fruit Circles of Pacific Coast

Fifty-two growers representing approximately 2000 acres of fruit in this section were signed up as result of the meeting held in the armory yesterday by the Oregon Growers Cooperative association. It was the first meeting of the kind held in Salem. The meeting was attended by about 125 interested persons but many among them were business men and not growers.

Enthusiasm ran high throughout the entire session and during the speeches the plans of the organization were outlined fully, one estimate for next year being that the volume next year, with a normal crop, will be five to six million dollars and eventually may reach \$20,000,000 or more.

The Salem Fruit Union has endorsed the association and has become a member of it, according to announcement made at the meeting, subject to ratification by the board of directors of the union.

The first speaker yesterday was Robert C. Paulin, who told in a general way of the history and hopes of the association.

C. I. Lewis Speaker
Professor C. I. Lewis of the O. A. C. spoke, calling attention especially to the condition of the apple and prune industry in the state. He pointed out that the industry had got into such condition in the state that it was necessary to organize the Willamette Valley Fruit Exchange, all of whose acreage had already been signed up with the new association.

J. O. Holt of Eugene, manager of the Union plant at that place and interested in fruit matters, spoke of the success of the association at Eugene. He notified the assembly of growers that the Eugene growers had passed a resolution last evening endorsing the Oregon Growers cooperative association and that it had released all of its apple and prune growers from their contracts and that all immediately sign up with the new association. More than 2000 acres were signed up at the meeting last evening, Mr. Holt said.

Hunt Gives Warning
Isaac D. Hunt, president of the association and vice-president of the Ladd & Tilton bank of Portland, told the growers that he had looked into the financing of the association both as a banker and as a grower and that he was thoroughly satisfied with the methods proposed by the association, feeling that it would be for the good of all Oregon interests. He warned the growers who had been told not to join the association, to do some investigating on their own part and to find out why certain interests were opposed to the association that was organized to promote Oregon's interests.

J. F. Langer spoke of the necessity of publicity, giving reasons why Oregon's products should go out of the state under Oregon labels. He told how the association could control the distribution of Oregon's products by advertising and thereby

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BALLOON LANDS IN ENGLAND

LONDON, Sunday, July 13.—The Irish dirigible R-34 landed safely at Pulham at 7:02 o'clock this morning, G. M. T.

After passing the Irish coast Major Scott, in command of the dirigible, did not communicate with the ministry for hours. His last report was that the R-34 was crossing Ireland high up in a clear sky, with a following wind.

How They Snapped Up The Bargains Yesterday!

And There Are Some Left For Tomorrow



Men's Athletic Underwear
For Hot Weather

This sleeveless, knee length Union Suit is about the most suitable undergarment for hot weather and is being recognized as such by an increasing number of freestyle inclined men.

North Star Suit.....75c
Uncle Sam.....\$1.15
B. V. D.....\$1.45



Women's Bathing Shoes

If You Take But One Plunge
It's Worth The Price of a Suit

Cotton in several colors at.....50c, 65c, \$1.00, \$1.25, \$1.65
Mixed at.....\$2.00, \$2.85, \$3.00
Wool "Swim Easies".....\$3.25 to \$4.25

Black, white and colors
Good Quality Cloth.
Heavy Duck Soles
Low Shoes.....25c
High Tops.....50c